

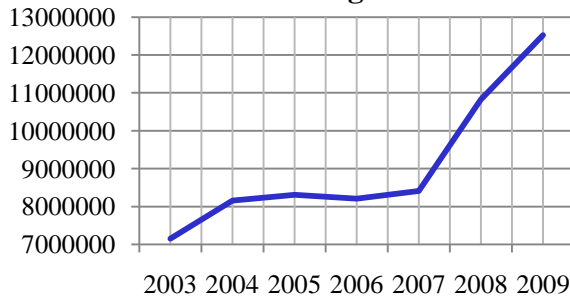
# Nigeria Aviation Fact Sheet

United States Embassy in Nigeria

## Recent Developments

- The aviation industry has grown rapidly in recent years and become heavily indebted.

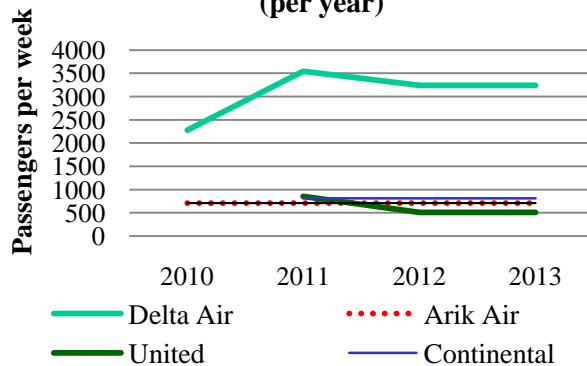
### Total Passenger Traffic



- Accidents in 2005 spurred the adoption of the Civil aviation Act in 2006, the International Civil Aviation Organization (ICAO), Universal Safety Oversight Audit Program (USOAP) in 2006, and Category 1 status for Nigerian carriers to fly to the U.S. in 2010.

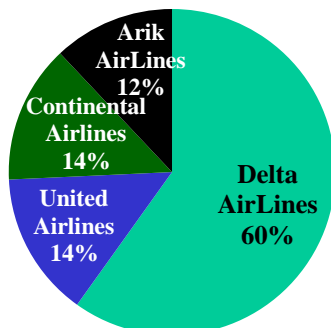
## U.S.-Nigeria Aviation

### U.S.-Nigeria Passengers volume (per year)



- Delta flies from Lagos to Atlanta.
- United Airlines began flying from Lagos to Atlanta and Houston on December 13, 2010.
- Continental plans to fly from Lagos to Houston on November 17, 2011.

### U.S.-Nigeria Passenger Distribution 2011



## International Aviation Industry

- Dominant: Emirates-55% of passenger lifting.
- Leading: Air France, British Airways, KLM, Lufthansa, Virgin Atlantic.
- Average: Delta, Ethiopian airlines, South African Airways.
- Fringe: Arik Air, Egypt Air, Royal Air Maroc, United Airlines.

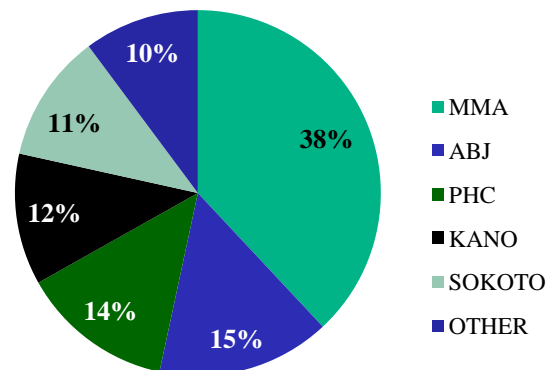
### Foreign Carriers-Nigerian Market Share (by Weekly Flight Frequencies)

Air lines	2000	2002	2004	2006	2007
British Airways	10	10	12	12	14
KLM	5	6	10	13	13
Lufthansa	3	3	7	10	9
Air France	3	4	7	9	10
Virgin Atlantic	3	3	4	7	7

## International Airline Strategies

- Emirates leads with two flights per day, markets a bundling strategy and promotes customer intimacy.
- Virgin Atlantic has an effective pricing strategy, transit visa and chauffeur services.
- Delta and United refuel in Accra.

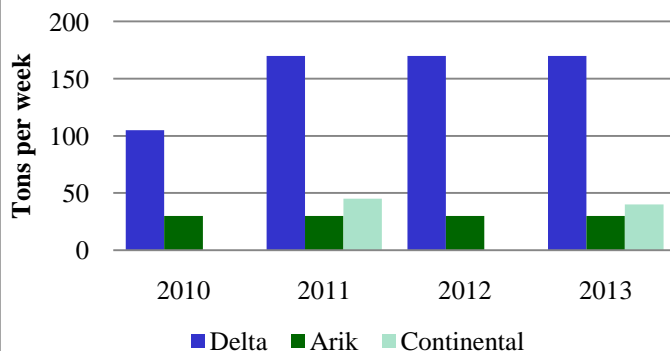
### International Airports (by International Passenger Use)



### Air Cargo

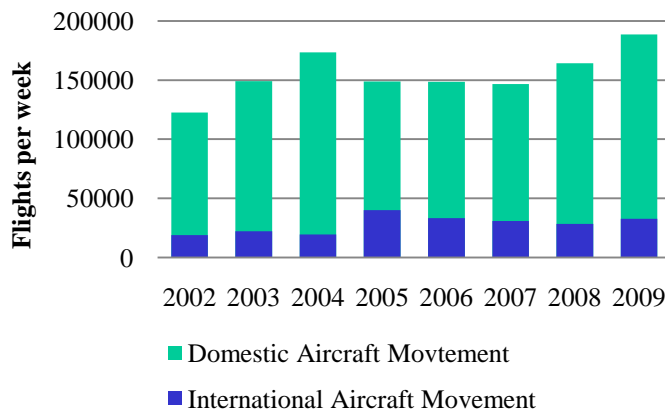
- An estimated 350 tons of cargo go through the Murtala Muhammed International Airport in Lagos each day.
- 10 cargo aircraft land at MMIA daily and do not take cargo back from Nigeria.
- Federal Airport Authority of Nigeria (FAAN) reported that 1.5 million tons of cargo passed through 19 airports between 1993 and 2009.
- Lagos cleared 78,423 tons domestically and 1.2million tons for international transport between 1993 to 2009.
- Abuja cleared 1,584 tons domestically and 44,391 for international transport between 1993 to 2009.

### U.S.-Nigeria Cargo Capacity



- Commercial cargo holds are filled with goods when travelers fly from the U.S. to Nigeria but are near-empty when flying from Nigeria to the U.S.
- Commercial cargo from Nigeria to the U.S. could benefit from the African Growth Opportunity Act (AGOA).
- Delta does not carry air cargo on its flights to and from Abuja.

### Total Aircraft Movement

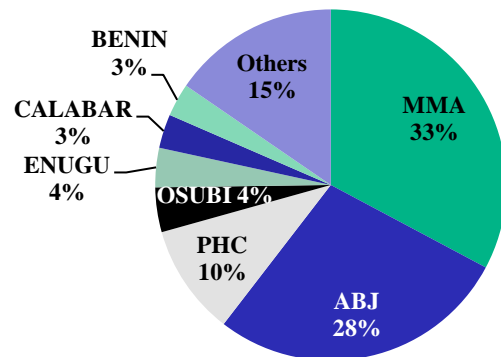


- FAAN explains that larger aircraft than can accommodate more passengers account for the larger growth of passenger movement relative to aircraft movement.

### Domestic Aviation Industry

- Nigerian airlines owed a combined \$59.5 million to the FAAN when the Central Bank Of Nigeria(CBN) announced a \$3.3 billion bail-out for domestic carriers in 2010.
- As of the bail out, there were 21 registered operators with valid air operations certificates, 10 of which were commercial. Three of the 10 were grounded, and seven were still in operation: Arik Air, Aero Contractors, Associated Aviation, Chanchangi Airlines, Dana Air, IRS Airlines, Overland Airways and Virgin Nigeria.
- Arik Air is the dominant player in the domestic market.

### Domestic Passenger Travel (by Domestic Passenger Use)



- 6% of total passenger traffic for Lagos was transfer traffic while 94% was local traffic in 2009.

### Major Airports and their conditions

State	Lagos	Abuja
Size	Inadequate	Average
Physical Condition	Poor	Average
Use of technology	Low	Low
Regional Trends	High Traffic	Low Traffic

- kerosene is regulated while jet fuel is unregulated and sold at market price even t though kerosene and jet fuel are the same product.
- The Nigerian domestic aviation industry consumes 2.5million liters (660,430 gallons) of jet fuel each day.
- The price of aviation fuel has risen from N80-N100 to N190-N220 per liter (\$2 to \$4.29 per gallon in 2011).
- The average cost of a one-hour domestic flight has risen from N14,000 in 2010 to N30,000 in 2011.
- Alternatives to air travel such as rail and water transportation are not well-developed.